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February 8, 2011

#### BY HAND

State Senator Edwin Gomez
Deputy Majority Leader
Legislative Office Building
Hartford, Connecticut 06106-1591

State Representative Larry B. Butler Legislative Office Building Hartford, Connecticut 06106-1591

State Senator John McKinney Legislative Office Building Hartford, Connecticut 06106-1591

State Representative Lawrence G. Miller Legislative Office Building Hartford, Connecticut 06106-1591

### Re: <u>Proposed Senate Bill No. 300</u>

Dear Senator Gomes, Representative Butler, Senator McKinney, Representative Miller and all Members of the Housing Committee:

Thank you for allowing me the opportunity to address the Committee in support of Proposed Senate Bill No. 300, titled "An Act Repealing the Affordable Housing Land Use Appeals Process."

In my opinion and based on my personal experience, Section 8-30g of the Connecticut General Statutes represents an example of a well-intentioned a piece of legislation that, in practice, has created negative unintended consequences which overwhelm the positive objectives. Rather than serve as a path for the creation of new affordable housing units, the statute has been hijacked and misused by

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opportunists to terrorize Connecticut citizens. Those practices can only be stopped if SB 300 is enacted and Section 8-30g repealed.

As the Committee knows, there are significant differences among the many neighborhoods that comprise Connecticut. Many neighborhoods, like the one I live and invest in, have already been developed to the point where there simply is no room for a logical affordable housing project. Unfortunately, logic and reason have taken a backseat to greed as no parcel is too small for the proposals of self-described affordable housing developers, who apply for projects that are patently unreasonable in scope and scale.

Let me give you one example. There is a small piece of undeveloped property to the rear of my home that is approximately ½ acre. Notwithstanding that small size and that fact it sits on a road without a bus line and would require a walk of 1½ miles to the nearest retail locations and train station, an affordable housing application has been filed to build a three-story sixteen 2 bedroom unit complex with 24 parking spaces. Over ninety percent (90%) of the parcel would be used by the building and the parking lot. Yet, there is absolutely no provision for recreational space or even an area for residents to sit or stroll outside. If built as proposed, the project would, without question, severely and negatively affect the neighborhood and damage hundreds of residents. Of course, only five (5) of the units are slated to be reserved for affordable housing.

Why would someone propose a development with a density many multiples more dense than anything else in the area? My analysis suggests two reasons: (1) to maximize the profit opportunity represented by the market-priced units and (2) to create a fear among neighbors to incentivize them to buy out the applicants at a price far in excess of normal market value. We have seen this disgusting scenario play out elsewhere in town over the past few years.

When you look at the situation, it is useful and appropriate to look at the impact on the three interested groups. The so-called developers pocket literally millions of dollars for doing nothing more than submitting an application for the development of a housing project with the minimum number of affordable units. The neighbors endure months and years of angst about how their community will be harmed and incur tens of thousands of dollars of expenses just to try to preserve the value in their homes that they have built over many years. And, finally, what about the constituency Section 8-30g is supposed to help, the people in need of affordable housing? They receive no benefit whatsoever.

In Darien, the supporters of the statute decry anyone who protests its misuse as "elitist" and "bigots." Those labels do not fit and are just being used to deflect attention away from the actual substantive issues. The simple and sole reality is that these so-called developers are just desperately

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hoping to maintain this flawed business model and do not care about the impact on anyone else; they thrive and profit on the scheme without contributing a thing to society.

In short, Section 8-30g is being used in a way no legislator could have possibly intended - as a tool for economic terrorism against the citizens of Connecticut. Unless it is repealed, everyone is susceptible to the extortion ploy it enables.

Respectfully submitted,

Mark S. Gregory